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FIELD REPRESENTATION

Report by the Director-General

Updates the information on implementation of the field representation programme contained in document IDB.20/16.

Abbreviations

AE	Associate Expert
APO	Associate Programme Officer
IDDA	Industrial Development Decade for Africa
IDF	Industrial Development Fund
JPO	Junior Professional Officer
NPO	National Professional Officer
UND	UNIDO National Director
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UR	UNIDO Representative

Introduction

1. Developments in the UNIDO field representation programme have been the subject of extensive reporting to the policy-making organs since the adoption by the General Conference of resolution GC.7/Res.11 (4 December 1997). The present text updates information on progress reported in documents IDB.19/11, IDB.19/CRP.8, IDB.20/16, IDB.20/CRP.16 and IDB.21/10 (chap. VI), which highlighted:

- Completion of the terms of reference of UNIDO field representatives;
- The decision to locate 30 offices in various regions;
- Director-General's Administrative Instruction No. 7 on decentralization and delegation of authority to UNIDO's field offices;
- Other administrative instructions on field representation.

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I. REDEPLOYMENT OF RESOURCES TO THE FIELD

2. For the 1998-1999 biennium, the regional programme net budget totals $25.6 million. That figure has been increased to $33.4 million in the programme and budgets proposed for the biennium 2000-2001, representing an increase of 30 per cent. Table 1 shows the resource breakdown for both bienniums. The field programme budget has been increased by 27 per cent.

Table 1
Resources for UNIDO regional programme

	Posts		Resources (thousands of US$)
	P	GS	
1998-1999 approved budget			
Field representation	35	60	17,776.6
Headquarters	19	13	7,848.3
Total	**54**	**73**	**25,624.9**
2000-2001 proposed budget			
Field representation	50	60	22,615.6
Headquarters	23.5	17	10,806.5
Total	**73.5**	**77**	**33,422.1**

3. As can be seen in table 2, the budget proposals for 2000-2001 reflect an increase of 15 Professional staff to be redeployed from Headquarters to the field, which is an increase by 43 per cent as compared to 1998-1999 field staffing.

Table 2
Professional staff assigned to field

Region	1998-1999 (approved)	2000-2001 (proposed)	Increase
Asia & Pacific	8	11	3
Arab countries	5	8	3
Latin America & Caribbean	7	10	3
Africa	14	18	4
Europe & NIS	1	3	2
Total	**35**	**50**	**15**

4. In addition to the costs associated with assigning Headquarters staff to the field, non-staff costs for field offices have also been increased. Non-staff costs (including expenses pertaining to consultants, travel, meetings and workshops, IDDA activities and local operating costs) accounted for $4.9 million in 1998-1999. This has been increased to $5.6 million in the proposals for 2000-2001, reflecting a 14 per cent increase.

5. At present, among the 26 UNIDO Representatives on board are 20 staff members deployed from Headquarters. A further seven Headquarters staff are scheduled for redeployment during the course of 1999 to UR posts falling vacant owing to retirement. The status of staff assigned to field offices as of 31 March 1999, including JPOs, AEs, NPOs) and other local staff, is shown in the annex to the present document.

6. Negotiations are underway with the Governments of Morocco, Romania and Tunisia to establish UNIDO offices on the basis of 100 per cent coverage of local costs by the host countries. These offices will be staffed through the redeployment of staff from Headquarters.

7. Within the existing approved 30 offices, five are earmarked for conversion to regional offices. The selection of regional offices will be based on well-defined qualitative and quantitative criteria:

Qualitative criteria

- Geographical position, logistics and communication
- Expansion potential of office
- Status of payment of assessed contribution
- Host country contribution to UNIDO programme funds, such as IDF

Quantitative criteria

- Pool of local expertise
- Concentration of regional headquarters of development institutions
- Participation in multi-country programmes and projects
- Host government support to UNIDO country office

8. On this basis, the Secretariat will initiate discussions with Member States. The regional offices are expected to be in operation by the second half of 1999. Technically

qualified staff will facilitate swift response to client needs, thereby strengthening the UNIDO field programme with additional professional resources in the field.

9. UNIDO's presence in the field will be strengthened in a variety of ways. Plans are under way to redeploy a few Professional staff members from Headquarters for placement in UNDP offices in selected countries. The Russian Federation and Thailand have been earmarked to carry out UNIDO programmatic activities. In addition, UNIDO has entered into an agreement with Turkey for establishing a UNIDO centre for regional cooperation.

10. As indicated in previous documents, despite cessation of UNDP support to the UNIDO field programme and the continuous depletion of regular budget resources, the Organization has continued to make provisions for additional resources to strengthen its field presence. UNIDO will continue to pursue its dialogue with host country Governments to provide financial support to meet local operating costs.

II. FORMULATION OF KEY FUNCTIONS AND RESPONSIBILITIES OF FIELD OFFICES

11. With the introduction of the new management framework, service management cycle and cost accounting,[1] the regional programme plays a pivotal role in coordinating the service management process (programme development, implementation, monitoring and evaluation). In line with enhanced functions delegated to the field offices, the URs are now actively involved in the development and formulation of integrated programmes. Financial allocations have been made to bring URs to Headquarters to participate as effective team members and provide relevant inputs for the finalization of the integrated packages of services. This ensures that UNIDO's integrated programmes are in line with host country demands and with the UNDAF process, thus ensuring a holistic and harmonized approach.

12. In line with their terms of reference, URs have developed their work plans. In addition to their programme development and implementation activities, the URs are also engaged in funds mobilization. They make regular calls to donors and development finance institutions to discuss and negotiate for funds mobilization in support of technical cooperation activities. The URs report to Headquarters on a monthly basis, and also submit an annual report providing information on overall progress, achievements and constraints, which includes a work plan for the following year.

III. DELEGATION OF AUTHORITY

13. As reported previously (IDB.19/CRP.8, IDB.20/16), a number of concrete steps were taken in 1998 to define the functions and responsibilities of the field offices and to delegate authority to them in various areas. The series of administrative instructions also provided the administrative and procedural framework for decentralization and empowerment of field offices. Specific authority has been delegated in the areas of budget and expenditure, recruitment of short-term consultants and advisory services, procurement authority up to a defined value and administration of fellowships and study tours. The country offices have started exercising these powers and the URs are functioning as allotment holders in respect of their approved budgetary allocations. These instructions defined the operational parameters of UNIDO country offices, the regional offices and the national focal points. The mandate and functions of each entity were defined and their relationship with Headquarters established. The system is functioning smoothly.

14. The Executive Board has reserved $20,000 for allocation to each of the 30 field offices, for a total of $600,000. This is in line with further decentralization to delegate greater authority for enabling the field offices to carry out programme development activities.

IV. HOST COUNTRY CONTRIBUTIONS

15. Conference room paper IDB.20/CRP.4 included a report on host country contributions, the status of which remained unchanged as of 31 December 1998. As of 31 March 1999, the following host country cash contributions had been received in support of local operating costs, as shown in table 3. In addition, Pakistan has indicated that its payment of approximately $9,000 will be remitted soon.

Table 3
Host country contributions to local costs

Country	US$ (approx.)
Colombia	30,000
Egypt	18,000
India	50,000
Nigeria	34,000
Turkey	146,000

[1] Director-General's Administrative Instruction No. 9, 21 October 1998.

V. HOST COUNTRY AGREEMENTS

16. As reported in conference room paper IDB.20/CRP.4 (para. 20), little progress has been made with respect to host country agreements. Proposals had been forwarded as early as mid-1998 to all UNIDO country offices and duly transmitted to relevant host country authorities. According to reports from URs, review and consideration of the agreements is a very time-consuming process—particularly in view of the legal implications—and thus require review by various ministries and agencies in each case. Regular follow-up is conducted by the URs on this issue.

17. Progress can be reported with respect to Ghana and Pakistan. Recent information indicates that the Government of Ghana is prepared to sign the agreement and arrangements will be made for a signing ceremony. In Pakistan, clearance procedures appear to be at an advanced stage and formal endorsement is expected in the near future.

V. ACTION REQUIRED OF THE BOARD

18. The Board may wish to take note of the information provided in the present document.

Annex

UNIDO FIELD REPRESENTATION **Status March 1999**

	UR	UND	NPO/APO	AE	JPO	Driver	Other GS	Total
AFRICA								
Burkina Faso					1			1
Cameroon	1					1	1	3
Côte d'Ivoire	1			3		1		5
Eritrea					1			1
Ethiopia	1				1	1	1	4
Ghana	1				1	1	1	4
Guinea	1				1			2
Kenya	1			2		1	1	5
Madagascar						1	1	2
Mali					1			1
Mozambique				1	1			2
Nigeria	1		1		1	1	1	5
Senegal	1				1	1	1	4
Togo		1	1			1	1	4
Uganda					1			1
UR Tanzania	1				1	1	1	4
Zambia	1				1	1	1	4
Total	**10**	**1**	**2**	**6**	**12**	**11**	**10**	**52**
ARAB STATES								
Algeria	1						1	2
Egypt	1				1		1	3
Lebanon	1						1	2
Sudan	1					1	1	3
Tunisia					1	1	1	3
Total	**4**	**0**	**0**	**0**	**2**	**2**	**5**	**13**
ASIA & THE PACIFIC								
China	1		1					2
India	1				1	1	2	5
Indonesia	1				1	1	2	5
Iran, Islamic Republic of	1							1
Nepal		1						1
Pakistan	1					1	1	3
Philippines					1	1	1	3
Thailand						1		1
Viet Nam	1		1		2	1	1	6
Total	**6**	**1**	**2**	**0**	**5**	**6**	**7**	**27**
EUROPE & NIS								
Turkey		1			1	1	1	4
Uzbekistan			1			1	1	3
Total	**0**	**1**	**1**	**0**	**1**	**2**	**2**	**7**
LATIN AMERICA & THE CARIBBEAN								
Argentina	1						2	3
Bolivia	1				1		2	4
Colombia	1					1	1	3
Cuba			1					1
Ecuador					1			1
Honduras	1					1	1	3
Jamaica	1					1	1	3
Mexico	1					1		2
Nicaragua				1	1			2
Total	**6**	**0**	**1**	**1**	**3**	**4**	**7**	**22**
Grand total	**26**	**3**	**6**	**7**	**23**	**25**	**31**	**121**